
Approval of BEP Unit Costs for Fiscal Year 2006-07

The Background:

The Basic Education Program (BEP) funding formula is comprised of three major funding components: Instructional (65% state share), Classroom (75% state share), and Non-classroom (50% state share). Funds generated within these components are derived by use of unit costs.

The unit cost for instructional salaries is \$36,515. The instructional salaries unit cost has been adjusted .6% for training and experience and the 2% state salary increase effective July 1, 2006. The instructional insurance unit cost, as determined by F&A is \$4,443.98. The instructional retirement rate for the 2007 fiscal year is 6.13%, an increase of .63% over the prior year.

The Governor's budget includes an additional \$33 million in at-risk funding and \$2 million in ELL funding. At-risk eligible funding percentage increased from 20% to 38.5%. The pupil/teacher and pupil/translator ratio's for ELL students decreased from 50:1 to 45:1 and 500:1 and 450:1, respectively.

All other unit cost amounts for the classroom and non-classroom categories are attached.

The Recommendation:

The Department of Education recommends approval of the BEP unit costs, including at-risk and ELL funding, for the 2007 fiscal year on final reading. The SBE staff concurs with this recommendation.

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